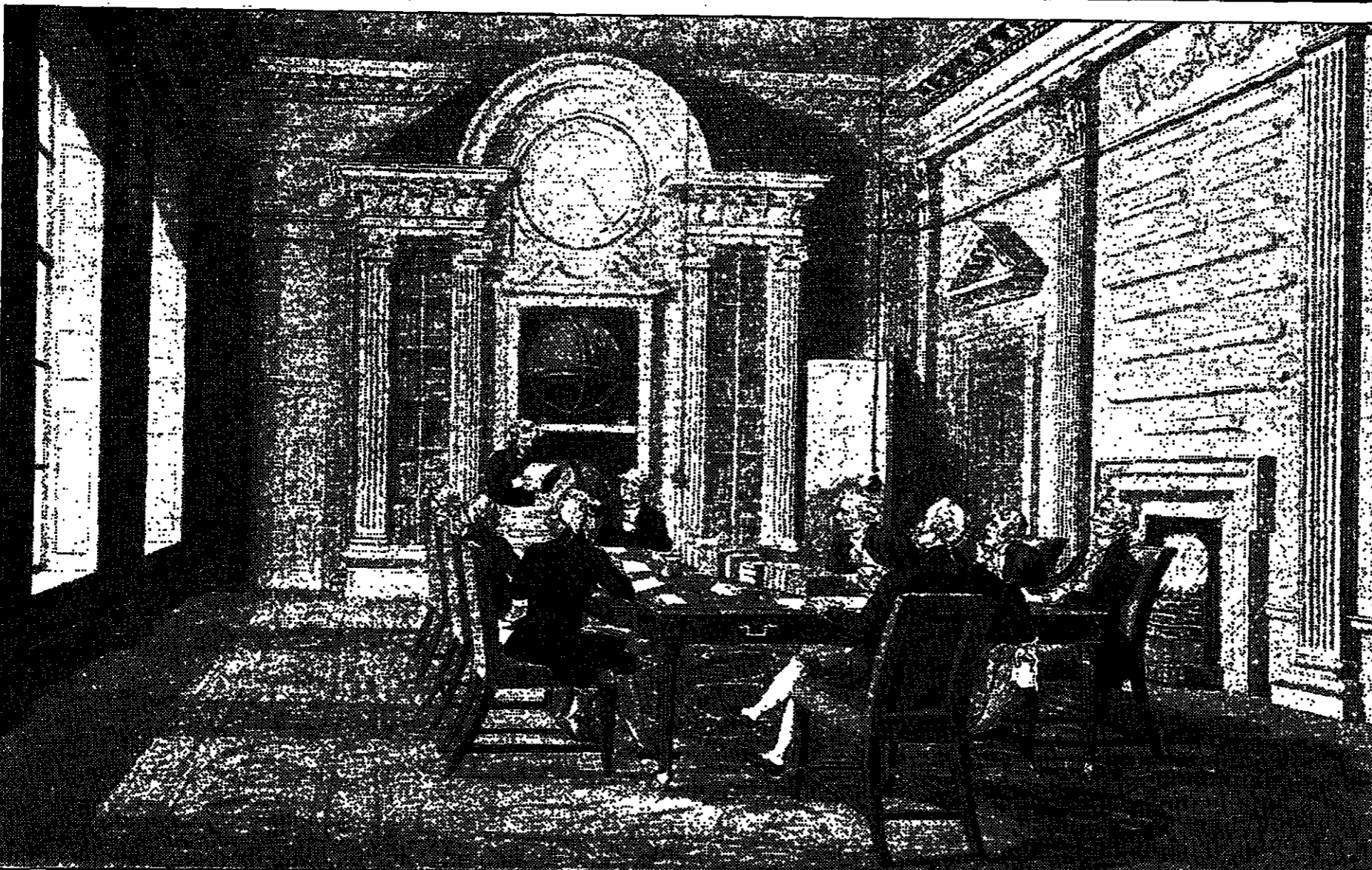


Defence strongholds under attack for 'losing' a fifth of their £5 million art collection



View of the Boardroom at the Admiralty, a print by Thomas Rowlandson and Augustus Charles Pugin which was stolen — from the boardroom in the Admiralty Arch, London

Art thieves steal march on MoD

Priceless paintings in ministry's care are missing or damaged, reports David Hencke

A FIFTH of the Ministry of Defence's £5 million art collection — including priceless historical items — has been stolen or lost in the last eight years, the National Audit Office reveals in a report published today.

It found some 161 paintings and prints were missing, 23 had been stolen and one was given away as a leaving present, to Sir Archie Hamilton, the former minister of state at Defence in 1994.



William Wyllie's £100,000 painting, stolen from HMS Dolphin at Gosport

One painting — Richmond Hill in the summer of 1862, by Jasper Francis Cropsey — was put up for auction for £400,000 at Bonhams in Kensington by an unofficial trust of officers after their regiment, the Royal Engineers Territorial Army Unit in Acton, west London, was disbanded. The painting was withdrawn from the cata-

logue after the regiment's solicitors halted the sale. There have been thefts from top security buildings, including a print which disappeared from the Secretary of State's private flat in Admiralty Arch in 1991 when Tom King held the post. Only in one case were

thieves caught, when protection was managed locally, and losses so alarmed curators of the Government's own collection that they stopped lending paintings to the MOD some years ago. The most serious theft was of two sets of pencil sketches and lithographs and a £15,000 painting actu-

ally on loan from the Government Art Collection, entitled Coast Scene with Fishing Boats by Nicholas Condy, which disappeared from secure offices at the Ministry of Defence headquarters and Northumberland House in London. The missing pencil sketches, by Count D'Or-

say, were valued at £5,000 and disappeared overnight from a senior civil servant's office which had been left unlocked for cleaning. The six lithographs, of 19th century Parliamentarians, were stolen from the director of audit management's office. Thieves also stole an historic print by Thomas Rowlandson and Augustus Charles Pugin, entitled View of the Board Room of the Admiralty, from the boardroom in Admiralty Arch.

Among the losses exposed by the auditors is the disappearance from the School of the Infantry, Warminster, 28 years ago of five paintings worth £1,000 on loan from the Government Art Collection. They have never been found. Five prints worth £5,000 disappeared in transit between Clive House, Tidworth, and Hill Top House, Farnborough, in Germany — both official military residences. In the one case where thieves were caught, two naval officers were convicted of stealing William Wyllie's painting of a submarine, CS3 Entering the Creek, worth £100,000, from the wardrobe of HMS Dolphin at Gosport. The auditors are also

scathing about appalling care of paintings and prints. At Dartmouth, a painting by William Wyllie of the Battle of Trafalgar valued at £15,000 was hung over a hot stove and in direct sunlight; and at Worthy Down, an 18th century painting of the army's first agent, worth £22,000, was hung over a fireplace. But the auditors reserve their fiercest criticism for a decision in 1992 to create a dedicated storeroom for 100 prints and paintings awaiting repair. They found "air conditioning and humidity were potentially harmful". The Ministry of Defence said yesterday that since David Clark, the shadow defence secretary, said: "If the ministers at the Ministry of Defence cannot even manage its art collection how can they be expected to manage Britain's defence?" Ministry of Defence: Management of Works of Art. Report by the Comptroller and Auditor General. HMSO 26.70.

Mother left shackled at funeral

Alan Travis Home Affairs Editor

AN INVESTIGATION was launched last night by the Prison Service after two prison officers refused to remove shackles from a woman at the funeral of her 10 day-old baby. The shocking case triggered renewed demands from opposition MPs and the Royal College of Nursing for the Home Secretary, Michael Howard, to conduct a fundamental review of the use of restraints on women prisoners who are vulnerable or sick. The prisons minister, Ann Widdecombe, refused to comment, insisting it was an operational matter for the acting Director-General of the Prison Service, Richard Tilt. He announced a full investigation into the case after a service spokesman said that "handcuffing somebody at a funeral is entirely consistent with current policy". But the shadow home secretary, Jack Straw, said he was shocked by the shackling of the woman prisoner. "This is quite unnecessary. These ministerial rules have removed the discretion of staff to use their own common sense and common decency. It is no good Ann Widdecombe hiding behind the old saw that it is an operational matter."

a day accompanied by two prison officers. Each time she was shackled on arrival at the ward but was allowed to remain without handcuffs while she was with her baby. However, her baby died 10 days later and a funeral service was arranged in the hospital chapel for September 14. The woman was brought to the chapel in chains by two prison officers. But this time they refused requests from the chaplain conducting the service, Jill Holden, and hospital staff for the handcuffs to be removed. The chapel had only one exit and the staff said the inmate was visibly overwhelmed during the service. The hospital sent an official complaint to Holloway, signed by the chaplain, the senior nursing sister who cared for the baby, the hospital social

Staff at hospital criticise 'inflexible approach' to use of handcuffs on grieving prisoner

worker, and the bereavement services co-ordinator. They said they were "disturbed by the affront to the dignity of a newly released mother by the inflexible approach to the use of handcuffs at her child's funeral." Holloway replied merely by saying that the matter would be shared with "headquarters managers". Last night Mr Tilt said: "While her daughter was ill in hospital, she was able to nurse her. After the baby's death the prisoner was apparently considered unsuitable for temporary release and was handcuffed during the funeral. "I have asked the area manager responsible to investigate the full circumstances of her case to ensure that appropriate action was taken." But Christine Hancock, of the Royal College of Nursing, said: "It is ludicrous that the current policy is so inflexible that a grief-stricken mother, who is clearly not a security risk, should have to remain in prison throughout her child's funeral."

Saudi victory stuns Howard

continued from page 1 sufficient police resources to protect the Saudi dissident, but crucially, the island's recent history revealed a "considerable degree of political vulnerability, such that pressure placed on it to remove the appellant and expel him to Saudi Arabia may not be capable of being resisted". Yesterday's decision creates difficulties for the Government in its efforts to protect British commercial interests in the oil-rich king-

dom. Leading members of the Saudi royal family — along with arms companies like Vickers and British Aerospace — had heavily lobbied British ministers to take action against Professor Mas'ari and his Campaign for the Defence of Legitimate Rights, whose fax campaign against corruption and repression has helped destabilise the regime. The Government's failure to get rid of Professor Mas'ari will be greeted with dismay by the Saudi authorities.

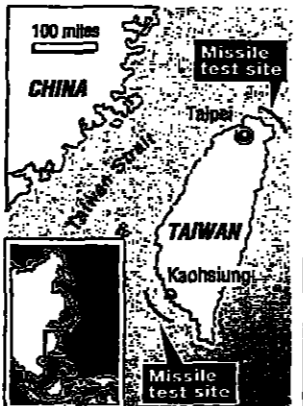
Taiwan faces virtual blockade

Chinese plan for offshore missile tests steps up tension in eight-month war of nerves

Andrew Higgins in Hong Kong

CHINA yesterday declared what amounts to a partial blockade of Taiwan, announcing new missile tests and warning ships and aircraft to stay away from danger zones near the island's two main ports. It was the most serious escalation yet in an eight-month war of nerves across the Taiwan Strait and drew an immediate threat of retaliation by Taipei against any penetration of its waters and condemnation from the United States, Japan and other governments. The new round of sabre-rattling by the People's Liberation Army (PLA) due to start on Friday and continue for a week, will hurl missiles into the sea off Keelung and Kaohsiung, ports through which flows nearly three-quarters of Taiwan's trade. Taiwan's defence minister, Zhang Chung-ling, warned "we will strike back immediately" if any of the test rockets land inside the island's 12-mile territorial waters. He

told legislators Taiwan has a range of missiles with which to hit back. A Taiwanese newspaper reported yesterday that Taipei had obtained Patriot and anti-missile systems from the US and was setting up six batteries on the main island and on Penghu island. China's show of force intensifies a bellicose campaign to undermine support for Taiwan's president, Lee Teng-hui, now campaigning for a presidential election on 23 March, the first poll of its kind in the Chinese-speaking world. Yesterday's news hammered Taiwan's currency and jitters stock exchange, forcing heavy intervention by a newly established "stabilisation" fund. "They are trying to push us to the limit to find out the bottom line of Taiwan and the bottom line of the United States," said Andrew Yang, secretary-general of the Chinese Council of Advanced Policy Studies, a think-tank close to the Taiwanese military. "This is a pseudo-economic blockade that will impose a tremendous handicap on shipping and airlines."



capability to launch a successful invasion of Taiwan. But the new tests, apparently part of a huge military exercise expected to involve more than 150,000 Chinese troops, seem designed to probe Taiwan's vulnerability to an economic blockade. Taiwan imports some 300,000 barrels of oil a week, much of it through sea lanes. The co-ordinates of two "test boxes" announced by Xinhua News Agency extend perilously close to Taiwan some 20 miles from Keelung in the north and 30 miles from Kaohsiung in the south. A missile could send a rocket into inhabited areas. "I think it is a very bad mistake on their part to put the impact area so near to Taiwan," the US defence secretary, William Perry, said in Washington. "I deplore that decision and I will express my concern to them." Washington sent a nuclear-powered aircraft carrier, the USS Nimitz, and four escort ships through the Taiwan Strait in December but the Clinton administration faces mounting pressure for bolder displays of US muscle. Congress wants a policy of "strategic ambiguity" replaced with an explicit pledge to defend Taiwan against any mainland military action. The plans have divided parliamentarians in a country where liberal attitudes to drugs have caused it to fall out with other European Union states and where doctors also go much further than those elsewhere in practising euthanasia on incurably ill patients. Some Dutch homosexual and lesbian couples already raise children, either from earlier heterosexual marriages or after undergoing in vitro fertilisation. But there are fears that if homosexuals are allowed to

Dutch set to back gay marriages

Government offers compromise law as MPs seek to let same-sex couples adopt children

Stephen Bates in Brussels

HOLLAND is on the verge of becoming the first country in Europe to allow homosexual marriages. A proposal which the Dutch parliament is expected to adopt later this month has the support of most members of the governing coalition parties and would not only give homosexual and lesbian partners the same legal status and benefit rights as heterosexuals, but would also enable them to adopt children. The government is trying to head off a row by proposing a lesser social contract, similar to ones in Denmark and Sweden, which would give equal social security, pension and legal rights but stop short of allowing adoption. The plans have divided parliamentarians in a country where liberal attitudes to drugs have caused it to fall out with other European Union states and where doctors also go much further than those elsewhere in practising euthanasia on incurably ill patients. Some Dutch homosexual and lesbian couples already raise children, either from earlier heterosexual marriages or after undergoing in vitro fertilisation. But there are fears that if homosexuals are allowed to

adopt children, other countries will not allow Dutch couples and agencies to take orphans for adoption. One of the supporters of the move, Hedy d'Ancona, a Socialist former health and culture minister, said: "If people really want to have children and are good parents, for me there is no difference. We do not have examinations for heterosexual couples before they can have children and if you think of all the violence and incest there is in families now they are not necessarily the most holy and safe places to raise children. "What children need is good parents and I don't think the sexual orientation is very important. I know homosexuals who are already really good and caring parents, perhaps because they have had to struggle hard to bring up their children." The marriage plan has the backing of the Socialists, Liberals and Centrists who make up the governing coalition, plus the Green Party. It is opposed by Conservatives and Christian Democrats. But the divisions are not entirely on party lines. A lesbian Conservative deputy has come out in favour of legalising homosexual marriages while a Socialist former Greek Orthodox priest is opposing. Thanasis Apostolou said: "The role of the public authorities ought to be to create order and stability. They should not be making one lifestyle into a norm." Elizabeth Schmitz, the justice minister, is proposing the compromise. A government spokeswoman said: "There will be an investigation into the feasibility of the marriage plan but I do not think the cabinet will want to go that far."

The two million Palestinians who live under Israeli domination, and the three million who live beyond it, are among the wretched of the Earth. At least two of the latest band of "martyrs", who expressed their love of religion by blowing themselves and their neighbours to bits, lived in primeval squalor.

G2 cover story

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Labour leader attacks Tories as homewreckers and calls for flexible mortgages and help for buyers caught in the negative equity trap



New homes needed... and 'a new deal between government, mortgage lenders and borrowers'

PHOTOGRAPH: FRANK MARTIN

Blair champions the homeowner

James Melke, Community Affairs Editor

TONY Blair yesterday moved to make Labour the party of homeowners as well as council tenants in an audacious attempt to undermine Tory claims to represent the property-buying classes.

He called on mortgage lenders to be more flexible in their arrangements and threatened legal regulation of their profession. Wider use of "payment holidays" to help mortgage payers through temporary loss of work or the birth of children, and the increased use of loans that enabled reliable clients to borrow to cover negative equity on former homes as well as buying their new ones were among measures he promoted.

He savaged the Conservatives as "the homewreckers' party — the party of negative equity, repossessions, broken dreams and falling house values".

He said 300,000 homes had been repossessed since John

Major became Prime Minister. He called for a new deal between government, mortgage lenders and borrowers.

But his charge that the Government had caused insecurity through cuts in mortgage interest tax relief and benefits to unemployed mortgage payers was angrily denied by the Government.

John Gummer, the Environment Secretary, said Labour's economic policies would simply mean higher interest and mortgage rates.

Mr Blair, acknowledging the success of Mrs Thatcher's right-to-buy policy for council tenants, said the Conservatives had lost touch. "Labour is back in touch — the party of social housing but the party of private housing too." A steady, sustainable growth in the economy rather than "boom and bust" policies would improve confidence in the housing market.

Some people had been sold unsuitable mortgages or had been denied full information about sellers' commissions and other charges, he said.

He called for a voluntary code of practice such as that recently sug-

gested by mortgage lenders might not be enough. There was a strong case to make the selling of mortgages subject to the same laws as the selling of other financial services, including pensions. Party sources later even suggested there might be "league tables" of mortgage lenders' performances.

Mr Blair said Labour would allow councils to use receipts from right-to-buy sales to be phased into use both for building new local authority homes and paying for developments by housing associations.

Poor housing struck at the heart of society, making it more difficult to hold a family together, to bring up children in a healthy environment, to ensure they had a decent education and to enjoy a sense of security.

"Labour supports the aspiration of people to own their own home and also to have a properly run social and private rented sector for those who cannot afford to buy or who choose not to."

Will Hutton, page 9

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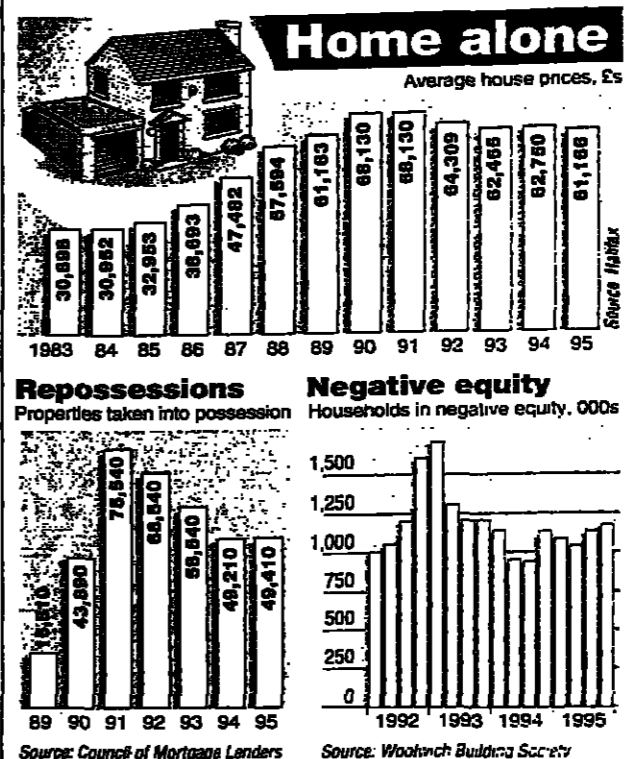
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Animal activist plotted bombs

AN ANIMAL rights activist who plotted a nationwide bombing campaign was yesterday found guilty of conspiring to commit arson.

Birmingham crown court heard during a five-week trial that David Callender, who is unemployed, aged 37, and lives in Waterloo, Merseyside, was arrested after a shopworker became suspicious when he placed an order for kitchen timers.

After his arrest police uncovered a bomb factory at a house in Sparkhill in Birmingham: enough devices to plant 100 fire bombs; a list of potential targets related to the food trade and field sports; and detailed plans referring to visits to target sites, levels of security and escape routes.

Police believe there must have been other people involved but have not managed to trace them.

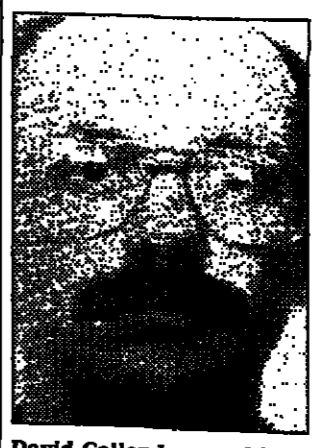
Detective Chief Inspector Roger Simpson of West Midlands police told the court that in October 1994 a woman at a kitchen suppliers in Harrow, north-west London, took a phone call from a man asking to purchase 60 kitchen timers. Police mounted surveillance and later spotted Callender, a history graduate from Liverpool university, arriving to pick up the timers. The house in Birmingham was watched. Callender, a vegan who eats no animal, fish or dairy products, and who has convictions going back to 1984 relating to the activities of the Animal Liberation Front, was arrested when he travelled to Cambridge to check possible targets.

Det Chief Insp Simpson said that the bomb material included theatrical explosives, known as maroons, which could have been modified to make detonators. Although petrol was not found, there were lists of filling stations throughout Birmingham.

Police say that a 23-page handwritten document detailing potential targets would have taken Callender months to compile as he travelled around on his mountain bike using the train network. Targets included an agricultural college in Humberside, food manufacturers, horse breeders, egg production companies, fox hound associations, slaughter houses, and the Milk Marketing Board.

Det Chief Insp Simpson said he could not rule out that Callender was the same man who bought identical timers from the same store in 1991. Police later found they had been used in firebomb attacks in the south of England. No one was ever caught.

Callender had pleaded not guilty to conspiracy to commit arson. His co-defendant, Greg Avery, aged 28, of Macclesfield, Cheshire, was found not guilty of the same charge. He said he was an animal rights supporter, but had no idea what Callender was planning. Judge Peter Matthews adjourned sentence on Callender until today.



David Callender: used bike to check possible targets

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THE PEN IS SHARPER THAN THE SAW

IT'S STILL TIME TO STOP THE BLOOD BYPASS FROM GETTING TOO WILDDY OR TOO WILD A TREE

Inquiry into death of boy, 10, who was ferried around four hospitals, attacks shortage of intensive care beds for gravely ill children

Dorrell to act on casualty scandal

David Brindle and Martin Wainwright

THE Health Secretary, Stephen Dorrell, will today unveil an action plan to press hospitals to improve availability of casualty and intensive care beds, following a series of scandals over bed shortages.

According to the inquiry report, there is a "clear" shortage of intensive care beds for children in the North-west — though the lack of such a bed did not lead directly to Nicholas's death last December.

The boy collapsed in a fit at his Stockport home and was taken first to Stockport Infirmary and then to the nearby Stepping Hill hospital. After staff there failed to arrange a brain scan — though there was a scanner, bought by public subscription — he was moved to be scanned at Hope Hospital, Salford, and then to Leeds General Infirmary where an intensive care bed had been found.

Christmas concert with his personal bleaser and mobile telephone switched on. He did not use the two hospital beepers which the switchboard was activating.

Ashworth said should be "forcefully pushed through", have been opposed because they involve closure of Booth Hall children's hospital, Manchester.



Donated livers 'turned down for lack of beds'

A LEADING transplant surgeon said yesterday that he had been forced to decline 29 donors' livers in a little more than year be-

cause of a shortage of intensive care beds, writes David Brindle. During that time, 11 of his patients had died awaiting a transplant.

For transplant patients. Equally, however, none had a patient in such urgent need of a transplant that steps were taken to free a bed.

Shepherd talks of pay by results for teachers

John Garvel Education Editor

A MOVE towards paying teachers by results was signalled yesterday by Gillian Shepherd, Education and Employment Secretary, when she announced plans to set achievement targets for every pupil, class and school to lift educational standards.

overall is lower," she said. A new appraisal system being studied by the Teacher Training Agency and the Office for Standards in Education would give governors clearer criteria for judging teaching performance against national standards of competence.

to get involved in their children's education. "It could start at the level of teachers saying we want young Johnny to move up four reading books by next term, and we want you to help," Mrs Shepherd said.



A headless ghost, left behind by a film unit at 19th century Peckforton castle near Tarporley, Cheshire, is being auctioned next week. Soaring bookings for weddings have ousted the headless inhabitant. Brides are upset by it, said the owner, Evelyn Graybill

PM to brave hostile Scots

Michael White Political Editor

JOHAN Major is planning an extraordinary gamble to boost flagging Tory popularity in Scotland by going to Glasgow next week to lead an attack on Scottish devolution before an overwhelmingly hostile audience.

Film censor clears tale of sex, drugs and children

Warning to parents or exploitation? Michael Ellison on a 'painful' production

A YOUNG couple — as in extremely young — engage in tender embrace on a bed surrounded by teddy bears and with a Beanie Boys poster in the background. "Know what I want to do? What do I want to do?" the boy in boxer shorts asks the girl in bra and knickers.

The board's director, James Ferman, said the \$3 million movie was one of the most painful he has seen during his 21 years in the job.

The New York Daily News said the sex lives of the teenagers in Clark's drugs-driven Manhattan tale made "jack rabbits look lazy."

Ashdown goes live on Internet to open new political arena

A HIGH-TECH forum for political debate and accountability opens up to the public this weekend when Paddy Ashdown, the Liberal Democrat leader, goes on the Internet to answer questions live.

and 7pm on Sunday with Mr Ashdown responding via computer terminal from his constituency home in Yeovil.

on CompuServe which is also sponsoring the event. Transcripts of Mr Ashdown's replies will be available afterwards at the Guardian's website.

group of political enthusiasts regularly debates current affairs issues. Previous high profile, on-line conversations across the Atlantic have involved the US Vice President Al Gore, the Canadian Prime Minister Jean Chretien, Michael Jackson and Tom Hanks.

THE PEN IS MIGHTIER THAN THE SAW

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Alan Lovell - COSTAIN GROUP PLC, 111 Westminster Bridge Rd, London SE1 7UE. Fax: 0171 705 8599

Colin Busby - KIER GROUP PLC, Wimpsey Hill, Station Rd, Wimpsey, Surrey GU24 0SD. Fax: 01767 640025

John Gains - JOHN MOWLEM & CO PLC, White Lion Court, Swan St, Isleworth, Middlesex TW7 5RN. Fax: 0181 847 4802

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in the company that accepts this contract to bulldoze protected nature reserves, historic sites and areas of outstanding beauty.

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FRIENDS of the earth

25 YEARS

6 WORLD NEWS

Youthful urges faze the mullahs

Two out of three Iranians are under 25. They have little patience with government restrictions, writes **Kathy Evans** in Tehran

SEVENTEEN years after Iran's Muslim clergy overthrew the Shah and launched the world's first Islamic revolution, the elderly bearded men of the regime have lost the country's youth.

Neither side knows how to talk to the other. Teenagers say they feel they have nothing in common with the ruling clerics, and the mullahs offer only sports, healthy mountain walks and censored films for entertainment.

"Most of the students I know want to leave Iran the first chance they can. I want to go to America," said Sayeed, aged 24 and a third year medical student, as he watched a heavy metal band

on his family's illegal satellite television. Two months ago Sayeed was caught in a taxi with his girlfriend and sentenced to five days in prison and 30 lashes. Two of his friends have had similar experiences. Sayeed was so angry about what happened to him and his girlfriend that he put the whole story on the Internet. All three students said they wanted to leave Iran.

"The net result of banning relationships with women is that you get more and more obsessed with sex. In the dorms at the university, we talk of nothing else."

men, some aged 15 or younger, stare back at the quiet groups of mourners. A middle-aged food wholesaler, Sayeed Jaffer, is visiting four family graves.

15. We only got the bones of the youngest one a few months ago. His tag was finally found somewhere on the border with Iraq.

married is about the only thing on which the youth of north and south Tehran youth agree. Even upper-class youngsters say they have to wait until their late twenties before they can even consider getting married. An inflation rate of 65 per cent and soaring rents have left many young couples doing two or even three jobs just to pay the food and rent bills.

Israel prepares to hit Hamas 'anywhere'

Derek Brown in Jerusalem

ISRAEL yesterday unleashed its full repertoire of security measures in the Gaza Strip and West Bank in response to the latest wave of suicide bombings.

measures to counter the threat from the Islamic movement, Hamas. He refused to spell them out, but made it clear that from now on, Israeli forces, in particular a new anti-Hamas unit to be headed by the Shin Bet chief, Ami Ayalon, will have carte blanche to re-enter the autonomous territories ostensibly controlled by President Yasser Arafat's forces.

agars seem far away. Here, tens of thousands of war dead from Iran's eight-year conflict with Iraq lie under marble tombstones bedecked with national flags and plastic flowers. Portraits of young



Tel Aviv residents call for revenge during a demonstration yesterday at the site of Monday's blast PHOTOGRAPH: NATHAN HARKIN

For most practical purposes, the West Bank is occupied territory again, while the Gaza Strip, almost hermetically sealed within its 30-mile security fence, is a giant prison camp.

He told the American ABC television network that the government would carry on its campaign against Hamas "anywhere". Asked if that included foreign strikes, he twice replied: "Anywhere means anywhere, period."

Another daily, Davar Rishon, which compared the situation to the Israeli-Arab war of 1948, wrote: "The entire country has become a front line again."

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Calls grow for 'total war' as press loses patience

Angry words are paving the way for revenge, writes **Jessica Berry** in Jerusalem

ISRAELI newspapers were yesterday in no mood for compromise after a week of horrific suicide attacks in Jerusalem, Ashkelon and Tel Aviv.

letting the terrorists know that if Israeli women and children are no longer safe, their own families will no longer be immune.

ers, with little experience and virtually no knowledge of the region, to fashion a fantasy inspired by the utopian vision of a terminal dreamer.

ians an absolute closure, no man will leave his home."

can live and endure with the pains of the past, or we can continue with war and add yet more suffering."

TRYING to extend its social controls into cyberspace, Singapore said yesterday that organisations providing links to the Internet will have to block access to sexually oriented and politically sensitive material.

AMERICAN woman soldier was allegedly raped in Bosnia at the weekend, and the investigation was focusing on Czech soldiers attached to the Nato-led peace mission, officials said.

HOWARD HUGHES'S lunacy may have been due to syphilis, according to an excerpt from a new book, Howard Hughes: The Untold Story, in Vanity Fair magazine.

China endorses Jiang to lead cautious reforms

Jane Macartney in Beijing

CHINA unveiled a five-year plan to guide its economic boom yesterday, naming President Jiang Zemin as the core leader into

the 21st century but offering little initiative on reform.

the grip on power of Mr Jiang, aged 69, in the face of a campaign to rejuvenate the leadership.

In the next five years, China will introduce a tax on interest earnings and an inheritance tax, to try to redress the balance of wealth.

ciency, the plan says. This confronts the taboo of unemployment that some leaders fear could trigger social unrest and jeopardise 47 years of unbroken communist rule.

Normally a C-141 Starlifter from Christchurch, New Zealand, drops fresh fruit and vegetables, letters and presents for the 282 staff of the US South Pole and McMurdo stations and the 13 New Zealanders at Scott Base.

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G2 page 7

seized

all leads to



Gerald Kingsland, the man whose exploits were immortalised by Oliver Reed in the film Castaway, is looking for a new Girl Friday, and Diana would be a fool not to get her job application in pronto.

The Guardian

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The greying of Europe
An ageing continent may need immigration

A SPECTRE is haunting Europe. But it is certainly not the spectre of communism that Marx and Engels foresaw in the 19th century. The shadow over today's Europe is the greying of the indigenous population, and the pressures which this remorseless demographic trend will inevitably place upon the labour market and welfare systems of the 21st century.

balance between the generations are potentially vast. No nation in Europe will be spared the impact. Britain's elderly will increase by 43.6 per cent by 2025 while our working population will decline by 2.8 per cent and the young (the under-20s) will fall by 8.2 per cent.

The fundamental demographic change facing almost all nations in Europe is the inexorable increase in adult life expectancy brought about by the absence of war and the improvement of public health and welfare. According to the Commission, the number of Europeans aged over 60 is set to double by 2025. By that date, there will be 113.5 million over-60s in the European Union, who will make up nearly a third of the total population.

In any event, the changes will mean steadily more spending on pensions, more on health care for the elderly, on residential homes and other forms of social service. That may come from taxation or from private insurance, but it will have to come from somewhere.

Just rebuke for Howard's way
But is he capable of the "highest standards" required?

THE PLAN to expel the Saudi dissident Mohammed al-Mas'ari, now frustrated by Judge David Pearl, was regarded by Whitehall officials as an "ingenious" solution to an embarrassing problem. Mr Mas'ari had attracted the personal wrath of senior members of the House of Saud.

reasons". This conclusion could hardly be avoided since government ministers have readily acknowledged that the expulsion decision was linked to the threat to British export orders for Saudi Arabia. But Judge Pearl is damningly explicit: "It is not the country of origin (i.e. the fact that Mr Mas'ari came to Britain via the Yemen) which is the issue here, but the need to maintain good relations with Saudi Arabia."

Judge Pearl has told Mr Howard to reconsider the case on the specific grounds that Dominica had not been established to be a safe third country for the dissident. He noted that the history of Dominica illustrated "a considerable degree of political vulnerability."

These judicial conclusions only confirm what commonsense has already strongly suggested about this shabby case but Judge Pearl should still be congratulated on his clarity of judgment. He also confirms the general view that the government has wholly failed to act in the humanitarian spirit required by international convention and law.

Going fishing for pound notes
Spain's win doesn't alter the urgent need to conserve stocks

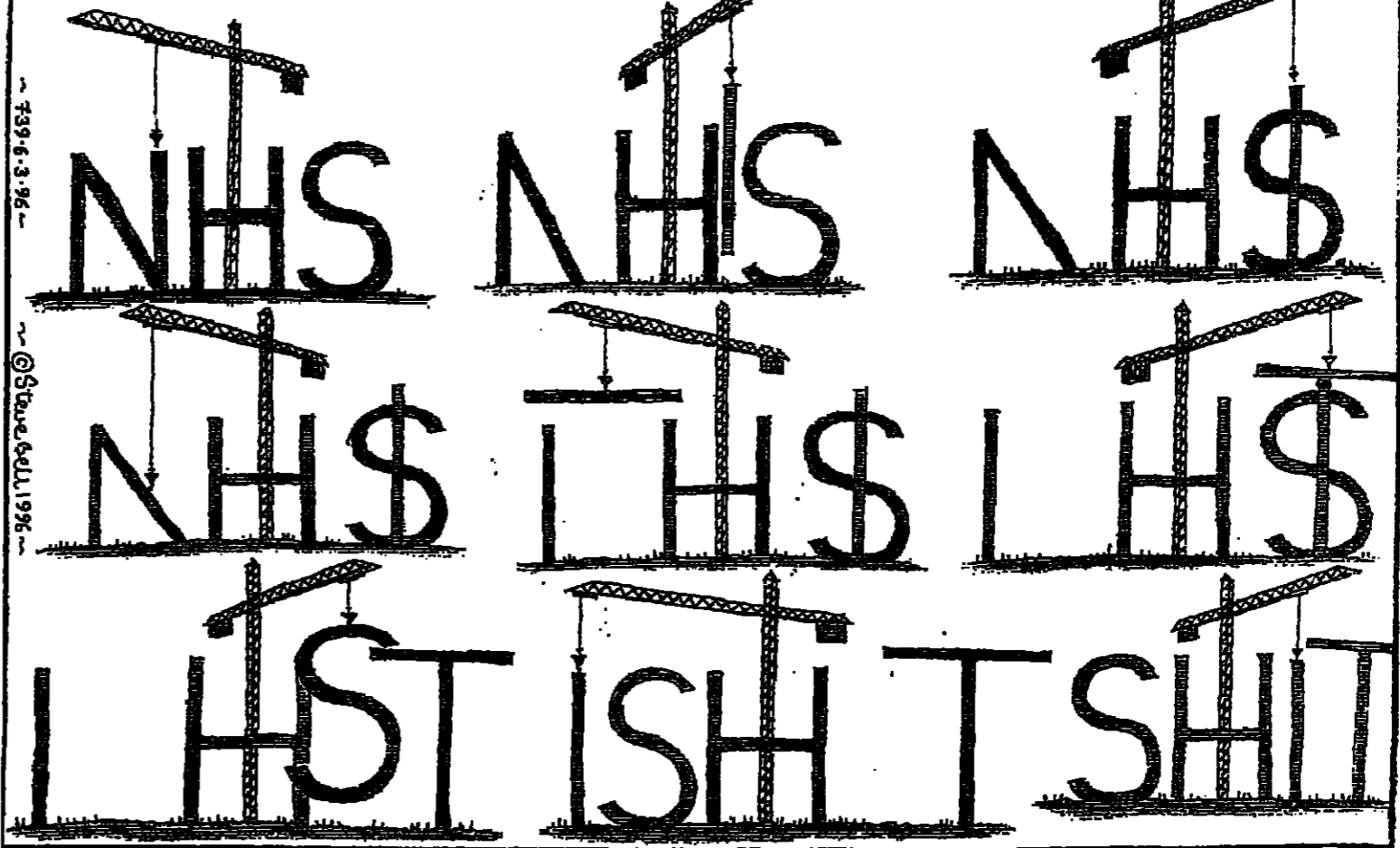
BRITAIN is part of a barrier-free Europe which allows anyone to establish a company anywhere. The 100 or so Spanish fishermen who set up "brass plate" companies in the UK in 1988 to qualify for UK fish quotas were acting legally as the European Court of Justice has confirmed.

catching by Britain's imposition of the 1988 Merchant Shipping Act which imposed illegal residential and other requirements on the trawlers. The Spanish are over the moon since they will be paid for not fishing. The British government won't be displeased since it offers a glorious opportunity to gain brownie points from the Eurosceptics by attacking Brussels during the forthcoming inter-governmental talks.

The problem arises because the world's seas have been wantonly overfished and the EU, like other regions, has imposed strict national quotas. So catches by the Spanish brass plate companies reduce the amount available for what remains of our fishing fleet under UK quotas. The judgment clears the way for the Spanish trawlers to sue for up to £30 million compensation for the fish they had been prevented from

But behind the political fracas lies the fact that global imperatives demand the conservation of fish stocks. Spain, hardly short of sea itself, is legally correct, but it is difficult to reconcile the size of its fishing capability (Spain has a third of the EU's entire fleet with massive surplus capacity) with the desperate need to conserve stocks. Yesterday's judgment is a temporary solution to a problem that will not go away until it has been firmly tackled on a Europe-wide basis.

REFORMING THE



Letters to the Editor

Picking up the pieces

I WAS appalled by the horrific carnage wreaked in Israel by the suicide bombers of Hamas (Peace blown to shreds, March 5). However, I feel that it is not simply uncharitable but highly dangerous to respond by punishing all Palestinians in the West Bank and Gaza Strip.

It is time for choices. The Israeli people chose the path of peace in 1992 and will again in May if their personal security can be guaranteed. Only the Palestinians can do this. Shimon Peres will take those steps which he feels are necessary to protect the people of Israel.

YESTERDAY we spent agonising hours trying to contact a son, a brother, friends. The lines to Israel were clogged with many others trying to do the same. But does Amos Oz ask too much? Do the majority of Israelis who have continued to support the peace process ask too much?

Another round in the debate over Northern Ireland's future

IT IS sad to see, after 25 years of violence in Northern Ireland, that Roy Hattersley — who signed the order sending the troops on to the streets of Belfast — has learnt so little. August 1982, as Catholics were being burnt out of areas of west Belfast, Joe Cahill — a senior IRA man — "was chased out of Ballymurphy... when he first appeared to organise defensive measures... and that it took several days to talk his way back into the district."

WE should be grateful to Martin Kettle for reminding us that there is a single word to describe what the British and Irish governments should be aiming to achieve in Northern Ireland: a condominium ("The joint control of a state's affairs by other states", Oxford Concise Dictionary).

THE time has come, not for a reckoning in Israel, as Martin Woolacott claims, but within the Palestinian Authority Community, March 5. It is now time for those within the Palestinian community who claim they support the peace process to rescue it from the brink of collapse.

AMOS OZ shows again (Hand in hand to hell? March 5) that Israel's doves have talents. Israel is his favourite country, but only because it was hacked out of the Palestinians' homeland in a century of Zionist diplomacy, deceit and violence.

ROY Hattersley seems oblivious of the scepticism and abuse which John Hume endured when he first trod the delicate path of talks with Sinn Fein in the months before the Downing Street Declaration.

A punch-up

SKY TV having announced that the Bruno/Tyson fight was a pay-per-view event, I telephoned the Videotron cable company, to which I subscribe to watch Sky programmes, to enquire how I can further subscribe to watch the fight.

GOOD EDUCATION COSTS LESS AT ST GRULPHE'S COMPREHENSIVE SCHOOL. ALL SUPERMARKET VOUCHERS ACCEPTED.

IT IS simply untrue that films are enjoying near-unprecedented acclaim and success at the UK box-office (Letters, March 5). About 50 years ago, cinema attendance in Britain ran at 35 million per week — and UK film production at around 350 per year.

It's asda be Asda who's profiting. ROS Coward (Charity does not begin at the checkout, March 4) is right to question the motives of firms which sponsor educational materials and equipment. It is hard to imagine that these schemes are inspired by altruism alone.

WHILE I agree that large supermarkets have contributed to the decline of town centre shopping, I am worried by the apparent implication that they are in part responsible for the failure of care in the community and the subsequent murder of one of their customers in the car park by a "neglected schizophrenic".

SO, with gay abandon, Nicholas Soames pledges to "fight every inch of the way" to retain the ban on homosexuals in the military (Minister firm against gays in military, March 5).

THE real problem is that, in order to get anything like a way worthwhile, schools have to collect an enormous number of tokens. To get a CD-ROM computer from Asda requires 3,000 to 4,000 vouchers.

YOUR extracts from last week's Lords debate on the NHS (Arena, March 4) excluded any of the comments which demonstrated that we have a health service that is leading the world, and of which the British people can be justifiably proud.

SO, with gay abandon, Nicholas Soames pledges to "fight every inch of the way" to retain the ban on homosexuals in the military (Minister firm against gays in military, March 5).

IT would be much more honest and responsible if the firms either donated equipment to schools, or reduced prices further in the shops, thus benefiting all shoppers. It would also put the burden of funding schools back where it belongs: on the shoulders of the government.

A poor report. YOUR extracts from last week's Lords debate on the NHS (Arena, March 4) excluded any of the comments which demonstrated that we have a health service that is leading the world, and of which the British people can be justifiably proud.

MARTIN KETTLE misquotes the British Government's formula of neutrality from the Joint Frameworks Document as Britain not having a "selfish or strategic interest" in Northern Ireland (Outlook, March 2). The correct phrase is that Britain has "no selfish strategic or economic interest" in Northern Ireland.

IF I divorce my (first) wife when she and I will each, presumably, look forward to half of my pension (Divorced from reality, March 5). However, if I marry again and that marriage fails, will my first ex-wife have her share of the pension reduced so that, along with my second ex-spouse, we all have equal shares? Alternatively, will my first partner retain her original half whilst my second former wife and I have to each struggle through our declining years with only a quarter share of the original pension?

THE WREKIN: The Limekiln Woods are sodden. Muddy tracks lead to the wood's cool damp heart where the feather moss on fallen trunks is most vivid. Although leaf buds are still hard as bullets, a shaggy golden fleece of hazel catkins spreads between the trees.

A Country Diary. THE WREKIN: The Limekiln Woods are sodden. Muddy tracks lead to the wood's cool damp heart where the feather moss on fallen trunks is most vivid. Although leaf buds are still hard as bullets, a shaggy golden fleece of hazel catkins spreads between the trees.

Split to infinity. IF I divorce my (first) wife when she and I will each, presumably, look forward to half of my pension (Divorced from reality, March 5). However, if I marry again and that marriage fails, will my first ex-wife have her share of the pension reduced so that, along with my second ex-spouse, we all have equal shares? Alternatively, will my first partner retain her original half whilst my second former wife and I have to each struggle through our declining years with only a quarter share of the original pension?

User friendly folly W

10 OBITUARIES

Ludwig Freiherr von Hammerstein-Equord

Family against the Führer

THE journalist Ludwig Freiherr von Hammerstein-Equord, who has died aged 76, was a rarity among Germans of his generation — not only a member, but also the son, of a leading member of the resistance movement which tried to depose Hitler on July 20, 1944.

German president, Paul von Hindenburg, against Hitler's appointment as chancellor. Hitler did not yet have the power or courage to have him shot, so had him promoted in February 1934 — on his involuntary retirement.



A first lieutenant on the staff, serving at army headquarters in Berlin. After one or two coup "plots", so ineffectual that the Gestapo does not appear to have noticed them, army officers, alarmed by the D-Day landings in Normandy and the subsequent Soviet onslaught, decided that the only way to save Germany was to kill Hitler, to whom they had sworn a personal oath of loyalty, and sue for peace.

Hammerstein escaped after the plot against Hitler and spent the rest of the war in hiding

rest the leading Nazis on hand in the capital. Stunned by the announcement that Hitler was alive, the scheming generals at army headquarters succumbed to disarray and paralysis as loyalist army officers, backed by a single guard battalion and a panzer brigade, took over headquarters and rounded up the plotters, including Stauffenberg, who had just flown in and knew nothing of his failure. Some 300 conspirators were brutally executed after show trials or else, like Rommel, were driven to commit suicide.

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Margaret McKay

A long way from Clapham

MARGARET McKay, Clapham's Labour MP from 1962 to 1970 and stormy petrel of pro-Arab politics in the 1960s, has died aged 65. A PR consultant before she became an MP, she was tagged the "Queen of the Pasha Pushers" not only for the puff she wrote for Saudi Arabia in Times advertising supplements but for standing up bravely for the Arabs in the Six Day War.

enthusiasm was a by-product of her daughter's second marriage to a Lebanese pilot based in Beirut. Oil-rich Iran and its charming Shah was Margaret's first Middle Eastern passion. She set up the Anglo-Iranian parliamentary group with herself as secretary and gathered others to her bosom like a spinster with stray cats. Positions as joint vice-chairman of the Anglo-Afghan and secretary of the Anglo-Saudi Army of Parliamentarians groups followed. When she visited Saudi Arabia with nine male MPs, the Saudis thought she had brought her male harem.



McKay... stormy petrel

the women MPs restroom in the Commons. Yet incensed by suggestions that she was more interested in the kingdom than in Clapham, she handbagged the Sunday Express's Douglas Clark. By this time, however, Clapham party activists were exercised by the anti-Semitic overtones of an advertisement in the Times she had sponsored. On a lecture tour of the United States, sponsored by the Egyptian government, she claimed Westminster's pro-Zionism depended on the 62 Jewish MPs, twice the actual number. She then announced she would set up an Arab "commando outpost" in Belgrade with funds supplied by Sheikh Zayed of Abu Dhabi.

Andrew Roth

Marion Farouk-Sluglett

Keeping an eye on Iraq

FOR anyone studying modern Iraq, the work of Marion Farouk-Sluglett and her husband Peter Sluglett is indispensable. Her death, from cancer at the age of 59, ends a remarkable life — and a remarkable scholarly partnership.

she took temporary language teaching posts in Durham, Oxford and Dublin as well as acting as a consultant to a Dutch group working in North Yemen, before finally establishing herself as a lecturer in politics at University College, Swansea. Here she specialised in European political history, Third World studies and the Middle East. Other academic posts followed, and, at the time of her death, she was teaching at the University of Utah in Salt Lake City, where she and Peter moved in 1994.

Minnie Pearl



Grand Ole Opry... 'How-dee, 'Minnie used to tell them, 'I'm just so proud to be here'

Just a finger-lickin southern gal

Minnie Pearl, who has died aged 83, told terrible jokes on Nashville's Grand Ole Opry show for 50 years, sang a bit and recited monologues from beneath a straw hat with a \$1.98 price tag. She was a character whose longevity made her a legend with the country music community, that most sentimental of audiences. Her cackled catchphrase was "How-dee, I'm just so proud to be here". She graced every musical shrine in Nashville, and gave up performing five years ago.

home to both America's longest-running radio programme and the conservative country establishment, started not on a dusty backroad but as the daughter of a well-to-do businessman. After finishing school, she worked as a teacher, toured the south with amateur productions and, in 1936, met an Alabama mountain woman on whom she based her stage persona.

on the fringe of the city, where there is a Minnie Pearl Museum. She appeared with all the leading country stars but her only hit record was in 1966, Giddyup Go, Answer. She was elected to the Country Music Hall of Fame in 1975 and acquired a level of respect from the music's old guard reserved here for former Tory prime ministers.

Michael Ellison

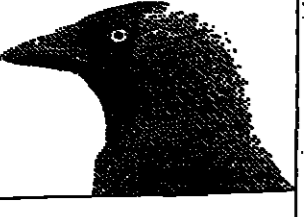
ARION'S own work involved a report on Yemen's complex irrigation systems — and increasingly bitter engagements with Saddam Hussein's regime in Baghdad, notably her September 1990 Middle East International article, How Saddam Rules Iraq. After the invasion of Kuwait she was much in demand in London as a commentator and analyst.

After that, it was with a marked sense of relief that she and Peter began a long-term research project on the development of Syria's Aleppo region in the late 19th and early 20th centuries. Marion and Peter had devoted friends, drawn to Iraq by its hospitality, warmth and the rich mix of resolutely individual characteristics which made up their partnership. Marion's laughter, her obvious delight in life, her constant curiosity about the world and its people, her troubles lightly born — all were qualities which endeared all who were fortunate enough to know her.

Roger Owen

Marion Farouk-Sluglett, political scientist, born March 1, 1936; died February 25, 1996

Jackdaw



Hack work

I FOUND a copy of the December/January Journalist on the floor of a lavatory in a local train station. I read it from cover to cover. I'm waiting for a train, and I believe you are using far too much paper and ink to express your opinions.

wishes of the people who pay their salaries. Of course, there are those occasions when journalists feel obligated to suspend any or all portions of said code. The public may rest assured that this will be done only for good causes (such as expediency, laziness or ideological bias). Anyone who would deny journalists the right of total self-regulation is a fascist.

more weeks every year if provided with machines that do the typing for them; better yet, machines that do the writing as well, leaving them to concentrate on collecting their pay. Anyone who thinks that this is too much to ask is a slave-driving exploiter of the proletariat.

Phone Bill

Q. What are your first thoughts? A. All these attacks against Cuba are done with civilian planes. To tell the truth, these attacks have happened repeatedly over the years, and it has created a condition of distrust.

ous terrorist actions against our country under the sponsorship of the Cuban American National Foundation in Miami... We had been patient, but there are limits.

Trainspotting

WE, BRITISH Railways Board, a public authority established under the provisions of the Transport Act... do hereby declare the invention, for which we pray that a

patent may be granted to us... The present invention relates to a space vehicle... The space vehicle consists of a disk or platform which may have a flat, slightly concave or convex undersurface. A controlled thermonuclear fusion reaction is ignited by one or more pulsed lasers.

Tank boy

DAVID "TANK" Abbott, a 271-pound behemoth who looks like a fit and furious Friar Tuck, methodically chokes his opponent, Abbott bulls Steve Jennum against the ring's hurricane fence, driving with his tattooed calves until Jennum's head bulges like a soda straw.



UFO... Inventors World

Birthdays

Dr Midge Adam, astronomer, 84; Jean Boht, actress, 60; William Davis, author, broadcaster, 62; Kiki Dee, rock singer, 49; Don Dixon, Labour MP, 67; Prof Sir Charles Frank, physicist, 85; Dave Gilmour, rock guitarist, singer, saviour of Pink Floyd, 49; Sir Alistair Grant, chairman, Safeway, 59; Prof David Hendry, economist, 82; Prof Sir Raymond (Bill) Hoffenberg, endocrinologist, medical campaigner, former president, Wolfson College, Oxford, 73; Judy Lee, actress, 49; Lorin Maazel, conductor, 68; Sir Hal Miller, former Conservative MP, 87; Colin Moss, MP, junior Northern Ireland minister, 53; John Noakes, television presenter, 62; Valentina Nikolayeva-Tereshkova, first woman in space, 69; Richard Wood, record producer, 56; Eileen Wrasidlo, jazz singer, 54; Peter Roebuck, cricketer, 40; The Rt Rev David Sheppard, Bishop of Liverpool, 67; Prof Marilyn Strathern, anthropologist, 55; Dianne Kiri Te Kanawa, soprano, 53; Dr David Haddon) Whitaker, publisher of the almanac, 66; Mary Wilson, singer, 52; Ann Winterton, Conservative MP, 55; Sir Oliver Wright, former diplomat, 75.

Death Notices

BUCKLEY, Muriel (Mollie), passed away peacefully Sunday 2nd March. She was 82 years of age. Burial at Levenshulme High School for Girls and was well known for her production of choral music. She will be remembered with affection by many of her 'old girls'. Funeral service 10.30 am Thursday 7th March at St. Michael's Methodist Church, Bramhall Lane South. Mrs. Muriel Buckley (Mollie), beloved mother of David, Brian, Diana, and Wendy. Harry on 29th February. Funeral at 3pm on Monday 11th March at Settlement Parish Church near Lousley, East Sussex. Enquiries to Cooper & Sons Ltd 01273 47527.

In Memoriam

NIKOPOLICIS, Ellen, died 6th March 1995 in loving remembrance.

Birthdays

CONGRATULATIONS to my eldest grandson Matthew on his 21st birthday. Wishing you health, happiness and success for the future. Love Grandma.

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Jackdaw wants your jewels

Jackdaw wants your jewels. E-mail jackdaw@guardian.co.uk; fax 0171-713 4366; Jackdaw, The Guardian, 119 Farringdon Road, London EC1R 3ER.

Dan Glaister

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

Finance Guardian

Police raid Tarmac HQ in Trident contracts dispute

Ian King and David Fairhall

MINISTRY OF Defence police have raided the Wolverhampton head office of construction group Tarmac as part of an investigation into "criminal irregularities" on MOD contracts. It was disclosed last night.

seizure of its documents, promised full co-operation with any investigation and insisted it did not know the reason for the raids. But the City reacted with alarm, marking Tarmac shares down to a low of 110p. They closed at 119p, down 3p.

group Amec, which has offices in London and Glasgow. In a statement, Tarmac said the contracts under investigation related to work carried out at Coulpport, Scotland, and were part of the Trident nuclear submarine project.

contract is under dispute. She added: "We thought we were in discussion with the MOD, and the raids took us by surprise. It's unusual for a client to take this sort of action when negotiations are progressing with them, but we are now waiting to find out what their concerns are."

greatly enlarged to support Trident even though the actual missiles are supplied by the US. But where other parts of the £10 billion project went smoothly, the shore construction programme was plagued by delays and cost overruns totalling hundreds of millions of pounds.

press ahead with construction before detailed design was complete. There was further controversy surrounding the decision to award the Agency's project work to Tarmac, which was paid £84 million of public money to take over the projects division - a payment later investigated by the National Audit Commission.

Hong Kong Notebook

Judging financial risk of handover



Alex Brummer

AS THE calendar speeds towards the transition to Chinese rule, any financier or investor must make some judgment about what is being described in the City of London as Hong Kong risk.

As much as regulators here, including the Hong Kong Monetary Authority (the central bank), would like everyone to believe that this should not be significant in assessing the colony's future, it plainly is. John Major, in his gung-ho final appearance here before the handover to Beijing authorities, ironically contributed to the public understanding of the potential risk by expressing concerns that the Chinese leadership might seek to weaken the safeguards to free markets built into the 1984 Joint Declaration and the agreed Basic Law, which will govern post-British Hong Kong.

The uncertainty spanning the days between now and when a Chinese-selected chief executive takes over the government of Hong Kong is already being felt in the markets. Excluding Tokyo, the Hang Seng remains the most important of the Asian market indices. However, in the last three years Hong Kong equities have significantly underperformed compared with those of Singapore and Bangkok.

Residential property prices, while still remarkably high, have fallen up to 20 per cent from their peak. And consumer expenditure has been restrained for an economy which thrives on conspicuous consumption. The official view here is that once the British flag is lowered, there will be a rebound in consumption, the Hang Seng and property prices.

What is needed is certainty and stability, whatever the flavour of the new government and there has been a strenuous effort by successive administrations to build certainty and integrity into the financial system.

The fiercely independent Hong Kong Monetary Authority began operations in 1986 and acquired responsibility for policing the banking system even more recently. Its chief executive, Joseph Yam, argues that monetary arrangements can survive 1997, saying: "There is a clear understanding in Beijing that that there will be two monetary systems and two central banks."

Similarly, the Securities & Futures Commission, the market regulator founded in 1989 as a direct response to the chaos of the 1987 stock market crash, sees itself as a buffer between the government and the financial community. What is more interesting perhaps is the concentration of the Hong Kong equity market in the banking and property sectors which between them account for an astonishing 85 per cent of the Hang Seng market capitalisation.

BA studies Channel Tunnel link for illegal subsidy

Keith Harper Transport Editor

BRITISH Airways may protest over the Government's £1.4 billion subsidy for the Channel Tunnel link if it finds that the company has been placed at an unfair advantage over its competitors.

Bob Ayling, BA's chief executive, warned yesterday that BA would be looking closely at the deal for which the London and Continental Consortium have been awarded the contract. "I would be concerned if subsidies were being used illegitimately to enable rail operators to compete unfairly with airlines," he said. "We shall be studying the rail link issue, and if there is a major case of state aid which in any way contravenes the European Union rules, then that's obviously a case we would be worried about."

BA has already taken a strong stand against state aid being given to Air France, and is seeking a ruling from the European courts that this is tantamount to unfair competition.

Clarke says dole queue can be cut to 1.5m

Larry Elliott Economics Editor

THE Government is planning to use falling unemployment as one of the central planks of its election strategy amid internal Treasury forecasts showing that on current trends the dole queues can be cut to well under 1,500,000.

Chancellor Kenneth Clarke is convinced that a combination of steady growth and the impact of supply-side changes to the labour market will reduce the jobless total to levels not seen since the Conservatives first came to power. With inflation and interest rates low, pay packets about to be boosted by tax cuts, and the housing market at last showing tentative signs of recovery, Mr Clarke said on Monday that the "feelgood factor" was set to return.

However, he acknowledges that a sustained drop in unemployment is crucial in combating job insecurity. Although the seasonally-adjusted claimant count has dropped by nearly 800,000 since early 1993, the Government believes that unemployment can fall much further without re-igniting inflationary pressure.

The Chancellor meets the Governor of the Bank of England, Eddie George, tomorrow to discuss interest rates, with the City confident that the cost of borrowing will be cut by 0.25 percentage points to 6 per cent. Mr Clarke has been advised that there is still considerable slack in the economy, with the actual level of output falling short of the economy's potential. The presence of this output gap gives the Government the scope to expand the economy at above its long-term rate of growth - estimated at 2.5 per cent - without a pick-up in inflation.

Commercial loan swindles cost the banks more than £2 billion

Dan Atkinson

BRITISH banks have been swindled out of more than £2 billion through fraudulent commercial loans during the past five years, sometimes with the collusion of corrupt members of their own staffs, a former British and Hong Kong police officer warned yesterday.

And despite these huge losses, bankers seem too tied up fighting credit card crime to tackle the problem, according to Simon Bevan, the head of anti-fraud services at accountants Arthur Anderson. Hotels, golf courses and shopping complexes are the favourite vehicles used by commercial-loan racketeers to relieve banks of millions of pounds, he said. Crooked valuers and solicitors can be drafted in to help.

Mr Bevan contrasted the total of less than £100 million lost through credit and cheque card fraud in 1994 with the hundreds of millions of pounds lost annually through commercial loan swindles. For the banks to devote all their resources to plastic card crime, he said, "is rather like locking away your bicycles in the shed whilst leaving the Ferrari unlocked in the street."

More than £2 billion was stolen from the larger British banks between 1990 and 1994, he said, with further "substantial losses" suffered by UK-based foreign banks and smaller British institutions. Property fraud remains a key field of commercial-loan dishonesty, said Mr Bevan. On average, the recession has wiped 40 per cent off property values, but the average shortfall of property used to secure bank loans that turn sour is 70 per cent.



Garth Ramsay (right), chairman of Independent Insurance Group, announced a 70 per cent jump in profit to a record £35.5 million. Michael Bright (left), the chief executive, said IIG specialised in insuring classic cars like this 1953 Jaguar XK140, but motor premiums accounted for only 7 per cent of IIG's business

Warning on cheap calls

Nicholas Barnister Technology Editor

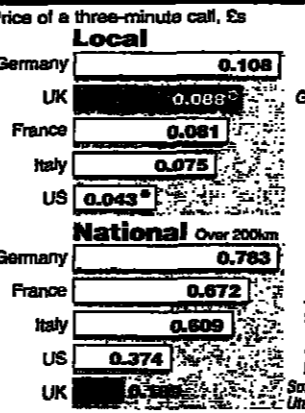
INTERNATIONAL phone calls from Britain are among the cheapest in the world for business users, says a survey published yesterday by National Utility Services.

NUS, which provides a cost-control analysis to 750,000 businesses including 4,700 in the UK, analysed business telecommunication costs in Germany, France, Italy, Australia, Belgium, the Netherlands, Sweden, Canada, the US and the UK. In the UK, the cost of international calls fell during the year to February by 21 per cent, with national calls down 10 per cent and local calls down 11 per cent. The UK had the cheapest rate for national calls, defined as being over 200 kilometres and was second to Canada for low international call charges.

The UK moved up from seventh to sixth position in the league table for local calls, which was topped by Canada. However Canada's long history of free local calls may soon be ended by CRT, the country's telecom regulator.

Significantly, Deutsche Telekom cut international call charges as it moved to close the gap with potential competitors, such as the joint venture between BT and Vlog.

BT's target markets



News in brief

Mighty US blow for midjet toys

The failure of Bluebird Toys' Mighty Max monsters and its Mimi and the Goo Goo toys to fend off US opposition has led to their scrapping and to a 9.6 per cent fall in profits to £17.8 million for 1995, writes Tony May. As its midjet toys have failed to enhance share value, the group has fallen back on the idea of using £10 million of its £34 million cash pile to buy in its own shares.

Airbus in US lease talks

Airbus is in negotiations with International Lease Finance, a US plane leasing company, that could lead to an order worth \$3.2 billion, writes Mark Tran in New York. International Lease is expected to buy at least 12 models of Airbus's new version of its two-engine A330.

United in the clear

The proposed merger of United News and Media, publisher of the Daily Express, and MAI group is not being referred to the Monopolies & Mergers Commission by the DTI.

Scottish TV poised to take a bigger stake in ITN

Granada and Carlton, both own 36 per cent of ITN - but under ITV rules this must be reduced next year.

Mr Macdonald refused to say if Scottish was considering a full bid for BT, the ITV broadcaster for the West Country and Wales, in which it currently owns a 20 per cent stake. But City rumours say Scottish may bid for BT to protect itself from hostile approaches from other ITV companies, particularly with the possibility that the new Broadcasting Bill, going through Parliament, will relax ownership rules.

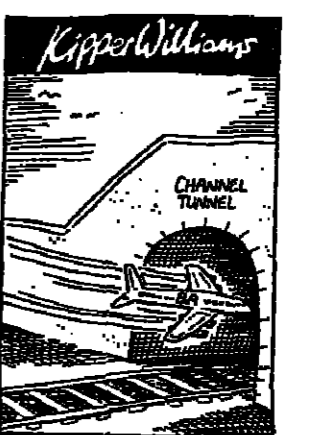
Scottish TV poised to take a bigger stake in ITN

Scottish Television, the ITV company which makes Taggart and Dr Finlay, yesterday said it was keen to raise its stake in ITN when the company's shareholder structure is renegotiated early next year, writes Jim King. Managing director Gus Macdonald said Scottish, which currently owns 5 per cent of ITN, was watching the situation with interest. Rival ITV broadcasters, Granada and Carlton, both own 36 per cent of ITN - but under ITV rules this must be reduced next year.

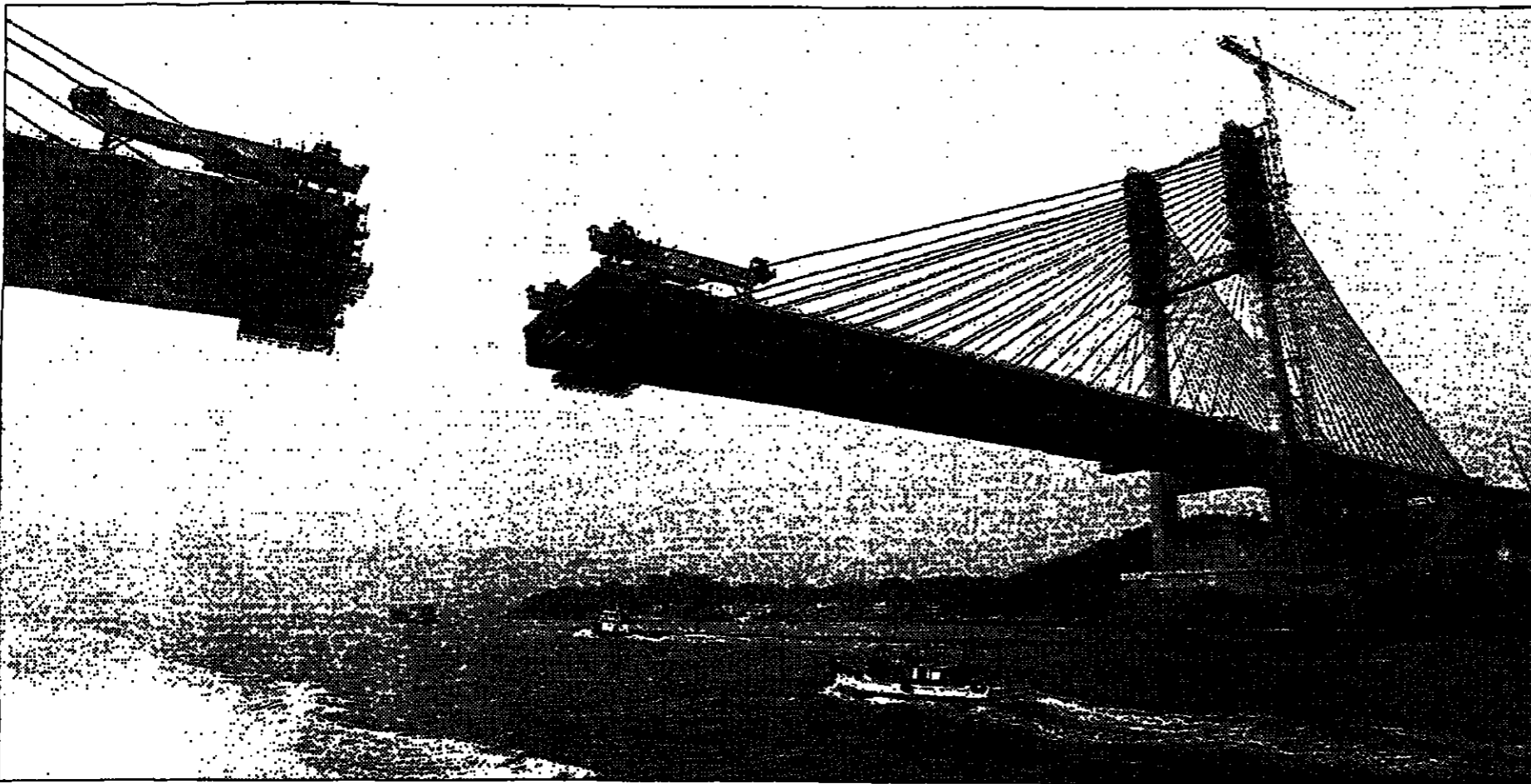
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Table with columns for Country, Bank Sell, and Rate. Includes Australia, Austria, Belgium, Canada, Cyprus, Denmark, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Korea, Luxembourg, Malaysia, New Zealand, Norway, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, USA, and UK.



12 FINANCE AND ECONOMICS



Bridge of size... Kap Shui Mun, at 820 metres the shorter of two bridges that will connect Hong Kong with Chek Lap Kok airport, awaits its last link

PHOTOGRAPH: DON McPHEE

Colony flies in face of doubts



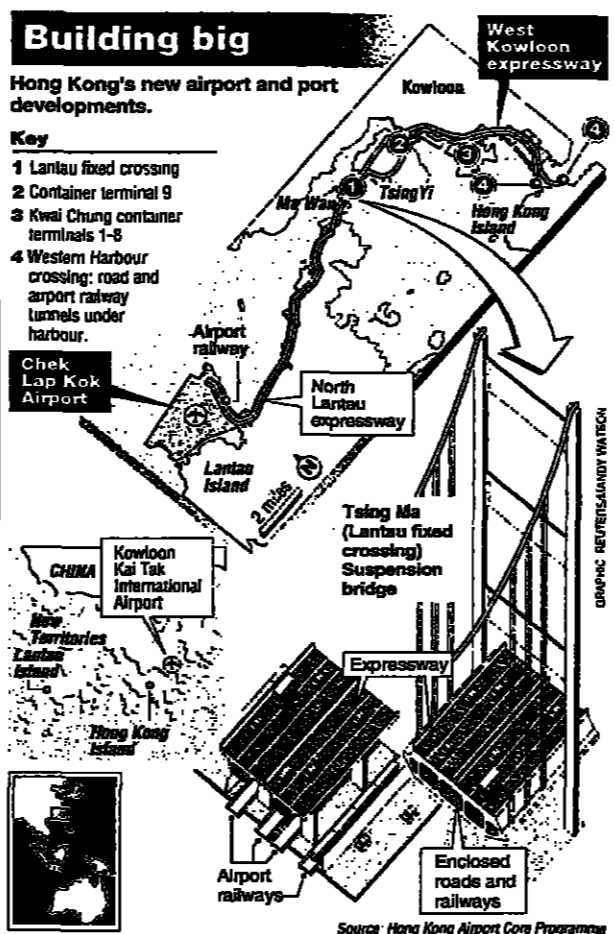
Hong Kong: Enter the Dragon

In day three of our special series, **SIMON BEAVIS** admires the panache of the engineers who are determined that Hong Kong should remain a hub of trade and travel after 1997

THE six-lane expressway linking the new HK\$1.5 billion (£13 billion) airport at Chek Lap Kok is the heart of Hong Kong's new infrastructure. Great, half-finished sections of the new road skirt round the edge of the Kai Chung container port where space is so short the "boxes" are piled six high. An airliner begins the final approach to the over-stretched Kai Tak airport. It will squeeze in between the offices and its crowding the perimeter fence with passengers and flat dwellers almost looking each other in the eye. Some 350,000 people living under the flight path in Kowloon endure up to 400 take-offs and landings daily, only a strict curfew on night-flying offers relief.

The infrastructure is being rebuilt with such confidence that it is hard to believe that Hong Kong is facing uncertainty and change. It also belies the political wrangles between Britain and China which have dogged the airport project and separate HK\$10 billion plans to develop a new container terminal, CT9, at Kwang Chai. "1997 should not be an excuse for adopting a wait-and-see attitude," says Haida Barua, Secretary for Transport in the Hong Kong government. "More than six million people will still be here. We can't just stop."

The airport begins to take shape with a workforce set to rise this year to 20,000, the 20-mile rail and road link is also well under way. The expressway, a high-speed business class train service and a commuter line, will cross two huge suspension bridges and a tunnel, linking the three main islands and the mainland. The airport should be completed in April 1998, about a year behind schedule. With customary dash, the plan is to close Kai Tak on the day Chek Lap Kok opens. The original plans are to develop just one runway and most of the main terminal building, which is already taking recognisable shape. This will increase capacity to 35 million passengers a year. But airlines — led by the colony's *de facto* flag carrier, Cathay Pacific — are putting pressure on the government to build a second runway immediately and lift passenger throughput to 87 million. The prize for Hong Kong is to milk the world's fastest growing aviation market. Growth in the Chinese market is running at around 10 per cent a year while in the wider region it is still impressive 6 or 7 per cent.



met his opposite number in Beijing in January. Now, with the project two years late, political rows over the CT9 development have given way to a battle among port operators as they try to work out a reallocation of berths to pacify Chinese anger. Some observers say Beijing was unhappy about Jardine's central role in the development, because of the conglomerate's close support for Governor Chris Patten's demands for democratic safeguards and its decision to move its domicile from Hong Kong to Bermuda and leave the Hong Kong stock market. Others

cite a plaque that China was not consulted over CT9. The timetable is slipping with no sign of an early resolution. But demand is not. It has risen from five million 20ft equivalents (TEUs) to 12.5 million last year. MTL, like its main competitor, Hutchison International Terminals, part of Li Ka-shing's property and shipping empire, is already looking ahead to building CT10 and 11 on Lantau Island. It even points optimistically to outlines for a further four terminals nearby, drawn up to match official forecasts that container throughput could grow to 32 million TEUs. Meantime MTL, majority-owned by the giant Wan Hai Holdings Group, has been forced to spend HK\$2.5 billion upgrading its berths at the existing CT1-8 terminals. Other companies, led by HTP, are investing in potentially profitable developments in China, notably at Yantian, Shekou and Zhuhai. The Secretary for Economic Services, Gordon Siu, is confident that once agreement on CT9 comes, the first berth can be built in 20 to 24 months. But, underlining the importance of the development, he notes demand is growing and CT10 and 11 will be needed by the end of the decade. Mr Siu is also sanguine about the airport's chances of cutting a competitive edge. The booming Far Eastern market, citing Hong Kong's advantages of established experience in aviation and vital back-up services like banking, insurance, arbitration and telecommunications. Pointing to a map of China, he jokes: "If you have a market of a billion people, you have a future."

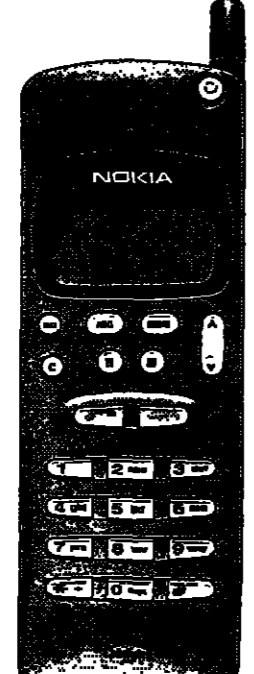
Money makers take their luck on the chin

WORKFACE/Philosophy and religion permeate the way in which business is done in Hong Kong. **JONATHAN CONFINO** and **RICHARD THOMAS** seek sage advice

LUCK is on the side of Charles Yeung. After leaving China for Hong Kong as a penniless 19-year-old during the Cultural Revolution in 1967, he has built a \$600 million business empire. Although his company, the Glorious Sun Group which has a \$260 million turnover, is best known for manufacturing and selling clothing — Mr Yeung is nicknamed the King of Jeans — the real money has been made from property investments made 10 years ago, just before the market boomed. "Yes, I am lucky — which in Hong Kong matters more than anything else. But you have to ask yourself what that is, and that's where religion comes in." He is a devout Buddhist, meditating for two hours a day and working at his local temple. Behind his huge desk lie dozens of Buddhas. "Good fortune simply reflects good works done in a previous life," he said. What goes around, comes around. But Buddhism does not have a monopoly in business enhancements and the thoroughly Chinese philosophies of Taoism and Confucianism also permeate Hong Kong society and the way business is done. In fact, the use of fortune sticks, the Chinese almanac and known as the *Tung Sing* — and Fung Shui is widespread among Hong Kong's business elite as well as the thousands of smaller entrepreneurs. The colourful Taoist temple of Wong Tai Sin, ringed by a wall of 1960s Lower blocks, is considered the best place in the colony to consult the fortune sticks, known as drawing the "chin". Police estimate that last month nearly three million people visited the temple during the Chinese New Year. The 100 numbered bamboo sticks held in a cylindrical container are supposed to be a means by which messages from the divinities are translated to worshippers. Whichever stick falls first illustrates the right path to follow. Peter Lo, a senior official at the temple and a lawyer, said much of Hong Kong's business success was down to the chin and the *Tung Sing*, which was commissioned by the Chinese emperor in 2258BC to calculate the arrival of the seasons and the movement of celestial bodies. Mr Lo said: "If the chin and the *Tung Sing* were to disappear, businessmen would become more indecisive. Western companies often turn to management consultants when they do not know which path to take. "But they cannot predict typhoons or flooding and they do not know when someone is going to be lucky in business. Many foreign exchange and metal traders consult the chin before making decisions. "Many of Hong Kong's most powerful businessmen also consult the *Tung Sing* on a daily basis. If they interpret the book as saying it is not a good day to conclude a particular deal, then they will delay it." Fung Shui is almost universally practised by companies as an attempt to cover all the bases in a desperate attempt to seek good fortune and grow wealthier. Even the strip clubs in Wan Chai display small shrines outside their premises and offer up fruit to the deities, to keep up business. Jeans king Mr Yeung believes there is a Confucian basis for free trade, on which so much of Hong Kong's prosperity depends. He said: "Chinese culture teaches respect and an open heart. This means economies cannot be closed behind borders." But Mr Cheung says that religion plays an even more important role. The Buddhist notion of pre-determined fortune beliefs is more beneficial to be generous — first to build up credits for future lives. On top of his time and energy, he gives between 5 and 10 per cent of all profits to educational and welfare charities. Businessmen should not be greedy, but that is beginning rather than an end. "Buddhism shows us that commerce is not a war, a matter of my life equals your death. It is more like a race at a sportsground, in which everyone's skills are developed." Now we know: who really thought up stakeholdings? It was Buddha all along.

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The great escape hatch



ANDREW HIGGINS meets Mrs Yip, who is on her way to Toronto. Distrust of Beijing means dispensing immigration advice is a booming trade

THE ink of Margaret Thatcher's signature in the Great Hall of the People had barely dried when thoughts in Hong Kong turned to ways of escape from what had been signed. "When it was agreed that Hong Kong would go back to China," recalled Irene Yip, "my mother had just one word: leave." Today, a dozen years after Mrs Thatcher signed the Joint Declaration in Beijing and only 482 days before diplomatic intent becomes reality, the family is leaving for Canada. Underlying the decision — and that of many others on their way out before July 1, 1997 — is a problem that no number of assurances from John Major or promises from Beijing will remove. "We cannot trust the Chinese government," said Mrs Yip, middle-class, middle-aged mother of two. They change their minds every day. They have a very bad memory. They forget what they said and then deny they said it. Fears of a mass exodus have so far proved unfounded. According to Maureen Chan, principal secretary of security, 43,000 people emigrated last year compared with 62,000 in 1994. Far more people arrived than left, creating a net inflow of 120,600. At the same time, however, the number making plans to leave jumped sharply. Canada, the destination of choice, reported a 70 per cent increase last year in the number of applicants for "business" immigration visas. These are mostly entrepreneurs and investors — precisely the people Hong Kong needs to maintain the "prosperity and stability" chanted by British and Chinese officials. Few show any interest in moving to Britain, Canada, Australia and then New Zealand top the list. A strongroom at Hong Kong's Immigration Tower, responsible for issuing the colony's travel documents, is filled with British passports granted under a special scheme but never even collected. "When people in Hong Kong hear of London they still think of rain and fog. That is the perception of the UK. Depressing," said Simon Lui, who charges for

tips on how to get to Canada at a general immigration advisers. As many as 700,000 of Hong Kong's 6.3 million people now hold foreign passports, according to a recent survey. Two million more are likely abroad who could sponsor them to leave. Most want to stay put but a grave crisis would mean a stampede to the door. Australia's immigration agency last week revealed it had contingency plans for a flood from Hong Kong, where 220,000 people hold multiple-entry Australian visas. The central issue is one of trust. Hong Kong has rarely offered so many opportunities for money-makers. China has rarely seemed so dynamic and free of political turmoil. But too many people remember why they or their parents came to Hong Kong in the first place. Mrs Yip, now on her way to Toronto, grew up with horror stories of wealthy aunts and uncles who, anxious to retain family riches, stayed behind in Canton after the 1949 revolution. "The Communists took their property, their papers and even their clothes." Such memories can lie dormant but they do not disappear. The 1989 Tiananmen massacre hit her hard. "Self-serving declarations of confidence by Hong Kong's millionaires make little impact." "All the business tycoons care about is making more money but they make sure their children all have passports," said Mrs Yip. Advising people how to get out, or at least how to arrange for an escape hatch, has become a big business. Even pro-Communist newspapers carry ads for immigration consultants.

Citic trades on connections

Outlook
Roger Cowe

CONGLOMERACY is a way of life in Hong Kong. Hanson may be abandoning the notion, along with other groups in the UK and US, but here there are no qualms about the idea of holding stakes in businesses across various industries. While Jardine Matheson represents one of the last of the "hong" breed from the retreating British empire, Citic Pacific is the first from the advancing Chinese. It is quoted on the Hong Kong stock exchange but with 43 per cent of its shares owned by the Chinese Citic, a state body. The initials stand for China International Trust and Investment Corporation. The original Citic was set up in 1979. The aim was to import technology and capitalist management skills and to build up an investment portfolio. Hong Kong was naturally the first port of call and through the 1980s a collection of interests was put together, notably stakes in Cathay Pacific and Cable & Wireless subsidiary Hong Kong Telecom. Citic Pacific became a quoted company in 1991 and has grown dramatically, partly through further acquisition, and partly through interests such as stakes in Cathay and HK Telecom transferred from its parent. Acquisitions included the Hong Kong airline Dragonair, jointly with Cathay. The sale of some properties and part of its stakes in Cathay and HK Telecom, plus new share issues, have raised more than HK\$8 billion (£850 million) since last autumn. This represents a change in emphasis to more active management and something of a change in direction, back towards China. There is no question reducing activity in Hong Kong as a number of property ventures indicate, but cash is being poured into infrastructure investments on the mainland as well. Projects include five power stations, toll roads and tunnels in Shanghai. This Chinese connection is the great attraction for investors. Citic Pacific is a means of investing in China, and its connections give it a huge advantage. Nobody else can boast a vice president of China (Rong Yiren) as its under, and his son, Larry Yung, as current chairman. The advantage is in escaping delays in winning approval and permission. That is why Citic Pacific has been dubbed a "red chip" company, with partners like businessman Li Ka-shing beating a path to its door. But these connections could have a downside if they allow politics to interfere with commercial decisions. The group, however, has made it clear that as a quoted company it will pursue "shareholder value". But a clear political backcloth was perhaps evident in a recent attack on the virtual monopoly held within the colony by its partner Cathay. This is in line with the Chinese government's desire to give Chinese carriers some of the plum routes out of the colony and Citic Pacific is clearly best-placed when it comes to the risks to business of the handover.

away bet about Mas

Racing

One-way betting without Master

Chris Hawkins
FOLLOWING news of the defeat of the favourite Master...

contracted and Imperial Call is now second favourite at 7-2...

European Commission would, as sure as eggs, start proceedings about unfair competition...



Waiting game... Mr President takes the water jump in third place on his way to winning at Newbury yesterday PHOTO FRANK BARNES

Perhaps has a definite chance

Henrietta Knight, the Wantage trainer, and her jockey, Jason Tingley, go to Cheltenham next week with high hopes for Debutante Days in the Triumph Hurdle and Easton...

Wolverhampton all-weather Flat card

Table listing race details for Wolverhampton all-weather Flat card, including race numbers, names, and times.

Bangor with guide to the latest form

Table listing race details for Bangor with guide to the latest form, including race numbers, names, and times.

Perhaps has a definite chance

Table listing race details for the right-hand section, including race numbers, names, and times.

Results

Table showing race results for various tracks including Sedgefield, Newbury, and Leicester.

Catterick runners and riders

Table listing runners and riders for Catterick races.

Perhaps has a definite chance

Table listing race results for the right-hand section.

RACELINE advertisement with phone number 0891 1684 and website information.

Advertisement for Catterick runners and riders.

Advertisement for racing results and information.

14 SPORTS NEWS

Soccer

Premiership: Arsenal 3, Manchester City 1

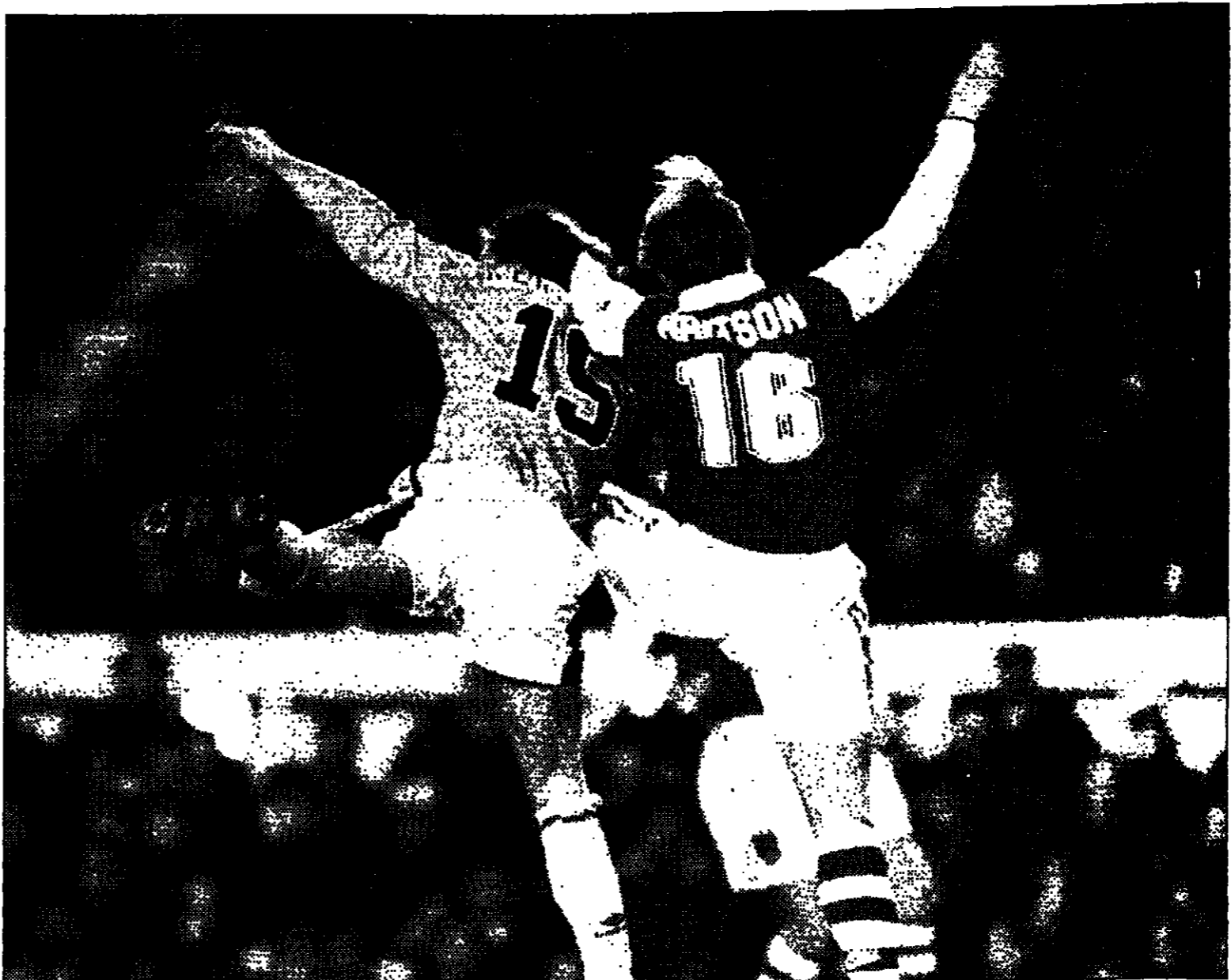
Gunners fired up by Hartson's two

Paul Weaver

ARSENAL now undefeated in seven games, became London's highest-placed club at Highbury last night, when they moved into fifth position ahead of Tottenham Hotspur on goal difference.

for 20 years, were without the suspended Curle and Brown. In the 11th minute Arsenal made the first incisive move as Parlour, collecting the ball from Merson, crossed from the right for Dixon to exchange passes with Platt before shooting wide.

ing Bergkamp's long ball and beating Immel inside the near post. City looked forlorn but they might have pulled one back four minutes later, when Rösler beat Rose and crossed only to see Kinkladze squander the opportunity.



Air raid... John Hartson scrambles to challenge the Manchester City defender Alan Kernaghan at Highbury last night

Keegan's mettle now up for the proving

David Lacey reflects on the night that put a question mark over Newcastle's manager

IN FOOTBALL even Messi-As has sometimes had to tread water. Kevin Keegan has proved he can manage; now he has to show he can cope.

West Ham visiting St James' Park two nights later. By then they may be experiencing the discomforts of second place for the first time this season. It is hard to imagine Alex Ferguson's team failing to defeat QPR.

Newcastle need right now? The effect of his skills is unpredictable; he is a maverick who alternates between catalyst and loose cannon.

First Division: Birmingham City 2, Wolverhampton Wanderers 0 Dashing double by Devlin

Tom Evans

BARRY FRY would seem to have little in common with the Prime Minister. With the Birmingham manager there are no grey areas.

But Wolves too were prone to defensive lapses, and Embelen could only shepherd a ball into the path of Barnes, Fry's 51st and latest signing.

Five minutes before the break Birmingham went further ahead with a goal which will rarely be bettered at St Andrews this season.

Irish ticket row grows

Mark Redding

AS the Football Association of Ireland continues to be engulfed by the crisis over 1994 World Cup tickets, one of the figures at the centre of the row has spoken out about the allegations of mismanagement.

chairman Leslie Silver said that he expected the club to show a £3.5 million loss during the current financial year — despite having reached the Coca-Cola Cup final.

Sport in brief

Tennis: Tim Henman looks likely to surpass his previous best ranking after beating the world No. 22 Jan Sieriernick yesterday in the first round of the Rotterdam tournament.

Motor Rallying: Colin McRae cruised to victory in his first Rally of Thailand yesterday, finishing 31 seconds ahead of his teammate Kenneth Eriksson.

Dogsled Racing: Rick Swenson has been disqualified from the 'Anarud Trail Race on the first day because a dog on his team died. The rule, instituted this year in response to protests from animal rights activists,

Results

UEFA CUP Quarter-final, first leg Bayern Muenchen (2) 2, Middlesbrough (1) 1

ANGLO-ITALIAN CUP

Domestic final, second leg Port Vale (1) 3, West Brom (0) 1

Billiards

UK CHAMPIONSHIPS (Wynny: Quarter-finals: 1st round: 1st round)

Olympic Games

New poll for vaulter Bubka THREE Olympic champions, Sergei Bubka, Hassiba Boulmerka and Alexander Popov, are among 35 candidates to declare themselves for election to the International Olympic Committee's newly formed athletes' commission.

Teamtalk

Table with 4 columns: Team, Rank, Opponent, Score. Includes Arsenal, Aston Villa, Birmingham City, Blackburn, Bolton, Brentford, Burnley, Chelsea, Coventry City, Derby County, Everton, Huddersfield Town.

Soccer

Table with 4 columns: Team, Rank, Opponent, Score. Includes Arsenal, Aston Villa, Birmingham City, Blackburn, Bolton, Brentford, Burnley, Chelsea, Coventry City, Derby County, Everton, Huddersfield Town.

Rugby Union

Table with 4 columns: Team, Rank, Opponent, Score. Includes Gloucester, London Wasps, Northampton Saints, Worcester Warriors.

Cricket

Table with 4 columns: Team, Rank, Opponent, Score. Includes Essex, Gloucestershire, Hampshire, Kent, Lancashire, Leicestershire, Middlesex, Northamptonshire, Nottinghamshire, Oxfordshire, Somerset, Surrey, Warwickshire, West Indies, Yorkshire.

Hartson

of Cork's added knee

set for a jun

Cricket

Mike Selvey in Karachi on the international retirement of the dignified West Indies captain after the World Cup

Richardson leaves the main stage

Speculation about Richie Richardson's future was settled yesterday when the West Indies captain announced his retirement from international cricket at the end of this World Cup.

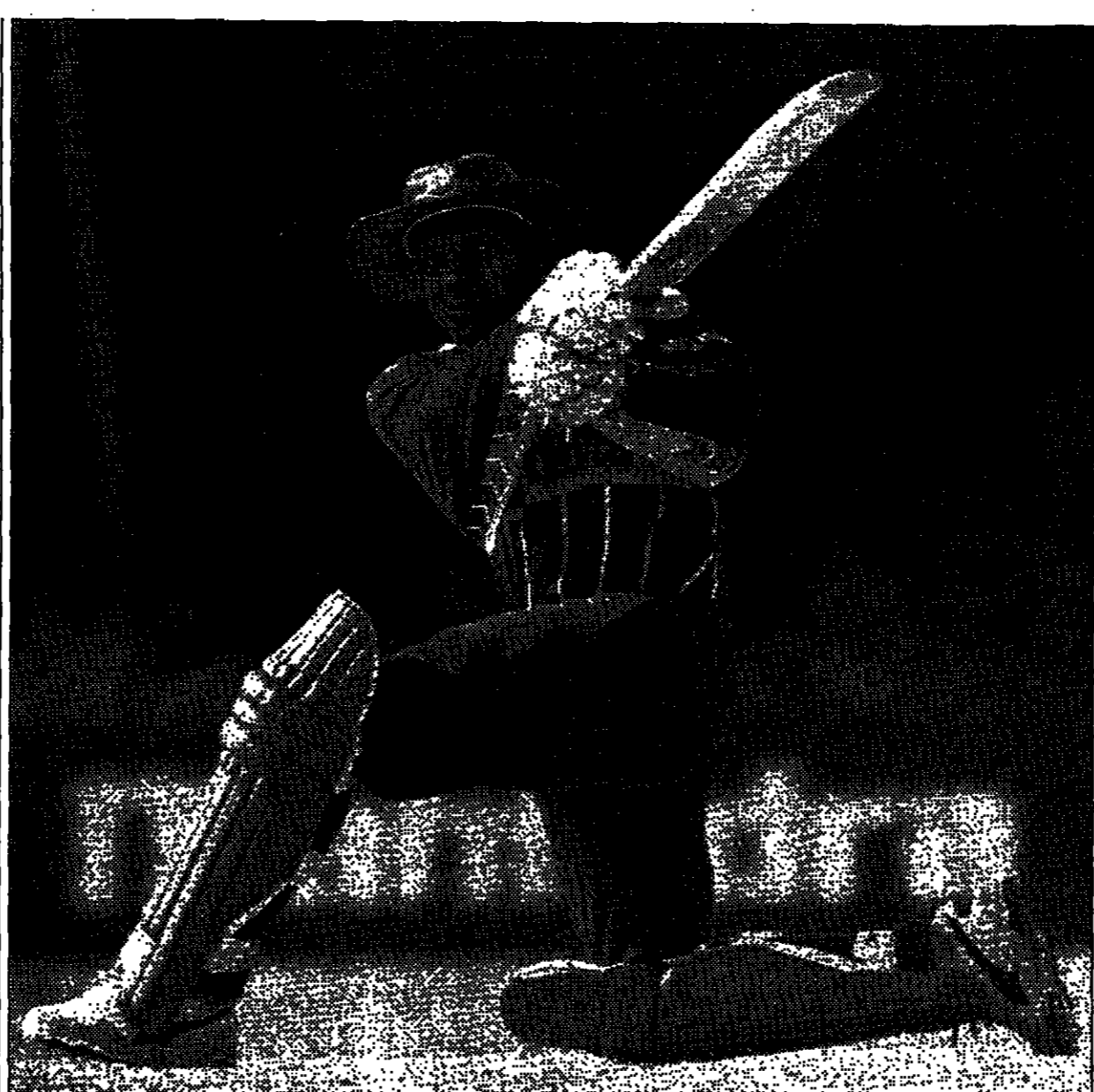
Richardson has jumped before being pushed. The humiliating defeat by Kenya last Thursday was probably the final straw.

Richardson has jumped before being pushed. The humiliating defeat by Kenya last Thursday was probably the final straw.

talk over the humiliation of a once great side, while back home in Bridgetown, Kingston, Port of Spain and St John's the fans shook their heads in disbelief and muttered their shame and anger.

Richardson, though, inherited a team on the slide with the great old guard gone and new talent from the islands slow to come through because of the satellite distractions of basketball and American Football.

Richardson, though, inherited a team on the slide with the great old guard gone and new talent from the islands slow to come through because of the satellite distractions of basketball and American Football.



Back to form... Richardson hits a four during his fine innings this week against Australia

Battle of Cork's wounded knee

Dominic Cork's tricky left knee became England's latest fitness trouble yesterday as the all-rounder had it scanned in a Karachi hospital after twisting it painfully during fielding practice.

Cork has had tendon trouble for weeks and, having decided to try rest rather than a cortisone injection as a remedy, is doing only the minimum of bowling in the nets between games.

The floodgates open for Hudson

The opener Andrew Hudson shared 181 runs and shared in 10 records as South Africa continued their unbeaten sequence in the World Cup with a 160-run win over Holland yesterday.

Hudson inspired a cup-reprieve; the two would finish level on points but Kenya would go through as they beat West Indies.

Lottery millions put on hold

The Sports Council yesterday withheld millions of pounds of lottery money from cricket and delivered a wounding attack on the way the game is run in this country.

The Sports Council, which administers the Lottery Sports Fund, has deferred decisions on applications from Durham, Surrey and MCC.

While Lamb may have retirement thrust upon him in Northants

Allan Lamb could be denied his swansong season as a county player this summer because of a fledgling career as an author.

According to a Northamptonshire statement yesterday: "There would appear to be conflict between the requirements of the TCCB's regulations and Lamb's contract with the publishers.

Boxing Bugner talks a lovely fight

Joe Bugner chose the Cafe Royal yesterday to tell us about his next fight. He will meet Brighton's Scott Welch for the WBO International heavyweight title in Berlin on March 16.

Bugner, who came to Britain as a refugee from Hungary in 1958 but is now the champion of Australia, is making a second comeback after the failure of his vineyard near Sydney, where he and his wife produced "his and her" wines.

Le Roux soon sent off again

Johan Le Roux was sent off yesterday in only his second match since returning from a 19-month suspension for biting the New Zealand captain Sean Fitzpatrick.

He walked in the second half as Transvaal lost 13-9 in Canberra to Australian Captain Territory. The Springbok prop allegedly bit the ACT hooker Marco Caputo.

Rugby Union

Late starts at Twickenham

The kick-off times of some major games at Twickenham next season, especially Saturday ones, could be put back from 2.0 or 3.0 to 4pm to ease the disruptive effect of large crowds on trade and traffic in the area.

The RFU will also adopt a flexible interpretation of the international board's 180-day residential qualification rule for players wishing to switch clubs of different unions. The RFU is aware that EC employment laws could interpret the 180-day rule as a restrictive practice on a professional rugby player.

Boxing Paul Weaver finds that some things simply never change

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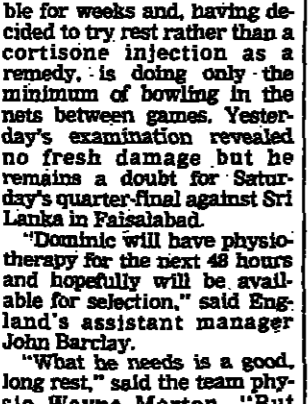
Motor Racing

Hill set for a jump-start and a strong run to the title

Alan Henry on the British driver who must win this year or lose Formula One face

Damon Hill knows he has to win the world championship this year or face being dropped by Williams-Grand Prix and losing his place on the Formula One front rank. He will get into Sunday's Australian Grand Prix in Melbourne with the steady resolve of a man with nowhere to hide.

Hill, who finished second to Michael Schumacher in 1994 and 1995, has everything going for him this season but by the same token he has most to lose.



Olympic Games New poll: vaulter But



Flying the flag... Hill goes confidently into the season

